



House Agriculture Committee
February 12, 2013

Testimony in opposition to HB 344

Mr. Chairman, members of the committee,

Timeless Seeds, Inc
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Timeless Seeds, Inc. goes on record as being opposed to HB344. We oppose this bill because it hurts our small business and will hurt our farmers. We also oppose this bill because there is a more equitable and tested solution for protecting farmers against the bankruptcy or non payment by commodity buyers.

Timeless Seeds, Inc. is a 25-year old company founded by four mid-sized Montana farmers for the purpose of marketing certified organic specialty and grains from our own operations. We now contract and buy certified organic lentils, peas, and heirloom grains from approximately a dozen family farmers in the greater Golden Triangle area.

We pay a premium price to our growers, and are currently contracting lentils for 300 to 350% the market price of conventional lentils. We sell our products into high end markets across the country – directly to consumers, restaurants, natural food distributors, and specialty food manufacturers. We do not sell in unit train quantities; we do not sell in rail car quantities; we rarely sell in truckload quantities. We sell in 1 lb. packages, in 25 lb. bags, in 2000 lb. tote bags to customers who care about the food they eat and the farmers who grow it. We are not Columbia Grain or General Mills. We are a small company with a half dozen employees who know each and every one of our farmers and their families personally; we visit each farm during the growing season; we accommodate their individual needs to the best of our ability. It is a personal relationship based on mutual trust and interdependence.

In spite of our small size and our business model, we are still required by law to have a commodity dealer's license and to spend an additional \$2500/year for audited financial statements. The fact is we are so small, we cannot even get a commodity bond, so are required by the commodity dealers law to tie up \$20,000 in a Certificate of Deposit with the Dept. of Agriculture's name on it. To us \$2500 in annual fees and \$20,000 of unavailable capital is already a burden. Raising the requirements will only make matters worse for Timeless and for our growers.

A more equitable and scale-sensitive alternative to HB 344 is the Grower Indemnity Fund (currently in draft form as LC1470). We urge you to table HB 344 until you have the opportunity to consider the merits of an alternative measure which would offer better protection for the growers while not unduly punishing small, niche market businesses.

Thank you for accepting these comments.

Sincerely,

David N. Oien, President
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